

Spring 3-6-1996

Senate Meeting, March 6, 1996

Academic Senate
Illinois State University

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ACADEMIC SENATE AGENDA

TIME: 7 p.m., Wednesday, March 6, 1996

PLACE: Circus Room, Bone Student Center

Call to Order

Approval of Minutes of February 7, 1996

Approval of Minutes of February 21, 1996

Chairperson's Remarks

Committee Reports

Vice Chairperson's Remarks

Student Government Association President's Remarks

Administrators' Remarks

SPECIAL TOPIC: Academic Impact Fund Review Committee Report

Action Items:

1. Proposal to amend the ISU Constitution and Committee Structure
- to give the position of Vice President for Institutional Advancement and Executive Director of ISU Foundation membership on the Academic Senate

Information Items:

1. Minor in International Studies
2. Academic Progress Alert System

Communications

Adjournment

Meetings of the Academic Senate are open to members of the University Community. Persons attending the meeting may participate in discussions with the consent of the Senate. Persons desiring to bring items to the attention of the Senate may do so by contacting any member of the Senate.

ACADEMIC SENATE MINUTES

March 6, 1996

Volume XXVII, No. 11

Call to Order

The meeting was called to order at 7 p.m. Chairperson Len Schmaltz called the roll and declared a quorum present.

Approval of Minutes

Motion XXVII-56 by Senator Weber (second, Borg) to approve the minutes of February 7, 1996, carried on a voice vote. Motion XXVII-57 by Senator Liedtke (second, Miller) to approve the minutes of February 21, 1996, carried on a voice vote.

Chairperson's Remarks

Chairperson Len Schmaltz announced that the Executive Committee would meet immediately after tonight's meeting.

Committee Reports

Academic Affairs Committee - Senator Walker reported the Committee has reviewed a proposal regarding parallelism between the B.A. and B.S. degrees. The proposal has been sent back to the University Curriculum Committee for refinement.

Administrative Affairs Committee - No report.

Budget Committee - Senator Weber asked that the Budget Committee's report on the ISU Foundation be included in the minutes of tonight's meeting.

Report to Academic Senate from Budget Committee on the ISU Foundation: Goals, Operational Procedures, and Financial Status (February 7, 1996)

Budget Committee of the Academic Senate: David Weber (Chair), Bill Gipperich, Marjorie Jones, Jan Neuleib, Jim Thompson, and Charles Taylor (Ex-officio)

We are very pleased to report that we have had several productive meetings with Dr. Judith Riggs, Vice President for Institutional Advancement. During these meetings, Dr. Riggs was very forthcoming answering our questions and providing informational sheets and brochures. One of these brochures (Foundation-Illinois State University) was recently released to the ISU campus. We are pleased with this openness on the part of Dr. Riggs to help the ISU community understand both the goals as well as the operational procedures of the Foundation. We would like to encourage a continuing positive interaction with the Foundation and not the previous reclusive relationship. In general, we feel that the Foundation is being quite well run and is working for the best interests of ISU at this time.

Over the last 10 years, the total dollars raised by the Foundation have more than tripled. The growth of major gifts has been very impressive (\$78,000 in FY85 compared to \$1,651,930 in FY95). The annual fund growth has also more than doubled during this time. The endowment growth has also been very substantial (from \$2,127,398 in FY85 to \$14,724,215 in FY95). We recognize the

desirability of a financially strong Foundation, especially in terms of our bond ratings. We also recognize that the Foundation should work in concert with the ISU faculty as well as students and parents of students to continue to develop the Foundation.

In this spirit of new beginnings, we have some recommendations which we hope will be useful in helping to alleviate some of our concerns.

CONCERNS

1. Selection of Foundation Board Members and Board Constitution

It is of some concern that the Board members are selected only by the Board itself. There are no voting members who are not selected by the Board. The Academic Senate does have a representative who can attend; however, this member has no voting rights. While this Budget Committee has not read the Board constitution, we understand that there are a number of appointed/elected Board representatives from the ISU campus, one each from the following: one member of the Board of Trustees, the ISU President, a presidential appointee who is currently the Vice President for Institutional Advancement, one alumni representative, one University Parent's Association representative, one student representative, who is elected by students, and one Academic Senate representative elected by the Senate.

We note that this constitutional arrangement does not allow for direct faculty input into the operation of the Foundation.

By constitution, all members of the Foundation Board are full members who can bring items for discussion, present nominations, and make recommendations; however, not all members have voting rights. Those members who are ISU employees do not have voting rights. Therefore, all members have some input (nominations, discussions, and other such actions) in selection of Board members and other Board decisions, but the degree of input does vary.

This is of concern since this selection process may limit selection of a wide variety of members with different points of view. We do not, at this time, know how many of the members are ISU alumni, and we would like to see that many members are alumni. We do recognize that this may limit some potentially important Board members, and it is not our intent to do so. We do recommend that a wide variety of Board members be considered and that the various colleges at this University be represented on the Board. We charge the academic senator representative to the Board to work to help develop this balance. We also charge the senator to review the Board Constitution, since this document is written by the Board for its own operation. Are the appropriate checks and balances written into the Board's constitution?

2. Operating Budget Allocations

In general we are comfortable with the operating budget allocations of the Foundation but highly recommend that there be a general review, by the Board, of some areas to ask if these are being done in the best manner to reach the goals set for that area. We feel that it is of value to question "standard operational procedure," not to find "fault," but to review the process and see if things could be changed to better achieve the goals.

a. Use of "restricted funds"

The major proportion of the budget allocations are restricted expenditures (\$1,160,532 for FY95). These funds were used for general institutional purposes (student aid, faculty salaries), areas (various academic departments, Milner Library, Athletics, as well as the Redbird Education Scholarship Fund - RESF), and very specific purposes (new software system, named scholarships). The fiscal agents for these funds vary but are mostly department chairs, deans and

directors; the Illinois State University Foundation (ISUF) is not the fiscal agent. We are very pleased with the large amount of funds for these purposes. We do, however, question the mechanism by which the various recipients report on fund use. What check and balance system is used other than submission of receipts to the Foundation? This may be especially unsettling since the RESF has the largest "chunk" of the restricted funds. Part of these restricted funds come from the "sale" of seats at sporting events. Generous donors to the Foundation are allowed to purchase more desirable seats. A review of this policy, by the Board as well as by the Student Government and/or the Student Fee Committee, is desirable, especially in view of the large amount of student fee monies which are being used to pay for the Redbird Arena. Are we comfortable that the students are getting their money's worth in terms of seats and ability to see sports events they want to see.

b. Use of "unrestricted funds" (Operating Budget for Administrative Support and Foundation Operation and Development Office)

While these expenditures are clearly a minor portion of the budget (total expenditures for restricted and scholarships/awards represent 84% of the FY95 ISUF operating budget so that 16% of funds are used for these unrestricted purposes), there are some areas (indicated below by underlining) which may be reviewed by the Board to see if these are the best value for the money.

1) \$82,656 for Administrative Support: The fiscal agent varies for these funds which are essentially discretionary funds for the ISU President, Executive Assistant to the President, four Vice Presidents, Legal Counsel, Computing Director, Assistant to the President for Minority Affairs, Internal Auditor, six deans, University Librarian, and Alumni Services, as well as annuities for two vice presidents.

2) \$320,692 for Foundation Operation and Development Office: The fiscal agents are the Director of Development or Executive Director of ISUF. The funds are used for salaries for ISUF accounting (three people), Ewing Manor, investment fee, audit fee, board expenses and discretionary expenses, legal fees, Chicago Office, one leased car (for Dr. Riggs), President's academy awards and recognitions, Development travel, and publications.

Data should be gathered and reviewed by the Board which would help to decide if the Chicago office is a good value for the money. Do we really know that keeping such an office is valuable? What does this office do and how is this documented? What is the leased car used for?

ADDITIONAL RECOMMENDATIONS FOR THE FOUNDATION

1. Develop ways to increase more positive relationships with retired faculty who might be more willing to donate to the Foundation.

2. Develop ways to increase more positive relationships with current students. This is especially a problem because many students have a very negative impression of the financial procedures at this campus. This should be evaluated carefully.

3. Develop ways to document the value of the scholarships to students. These data may be very good "selling" points for fund raising. We have the burden of proof that the funds are being well used when we ask for money through the Foundation. The departments and colleges can be recruited to be involved in obtaining this type of data. Documentation of the value to student aid is also very useful, especially if we are trying to solicit moneys from students who had a negative experience with financial aid.

4. Develop a policy and a process by which individual faculty, departments and colleges can request Foundation funds (both from the restricted as well as unrestricted categories). While we realize that the funds are currently quite limited in the Foundation at this time, we sincerely hope that this will not be true in the future (say, 5-15 years down the line). By working now to develop policies, people will become more aware that the Foundation is working for the University and not for itself. This may help dispel the perception that the Foundation has limited interest in the concerns of the University.

5. Review the Foundation Constitution and consider the inclusion of direct faculty input to this body. Consider addition of a faculty representative elected from the faculty (full-time, tenure/tenure-track) to the Board.

RECOMMENDATIONS TO THE ACADEMIC SENATE

1. The Academic Senate should continue to monitor Board activities. We charge the senator elected to be Foundation liaison to report back following Board meetings. This position should serve as a major communication vehicle between the ISU campus and the Foundation Board. The senator should review the Board member selection process as well as the Constitution and make reports to the Academic Senate. Review of the invited Board members to see that they represent the wide interests of the University should be strongly considered. The senator should also explore the desirability and possibility of direct faculty input into the Foundation Board by having an elected faculty representative.

2. We encourage the Senate to have the Vice President of Institutional Advancement attend the Senate meetings and report to the Academic Senate at least once per semester. This should greatly increase the roads of communication between the Foundation and the Senate.

Respectfully submitted,
Budget Committee of the Academic Senate

The Budget Committee is hoping to receive feedback from the academic senators on the report. Senator Schmaltz suggested the Executive Committee send the report to the Administrative Affairs Committee for review.

Faculty Affairs Committee - No report.

Rules Committee - Senator McCaw reported the Committee will be reviewing the revised bylaws of the Council of the College of Fine Arts.

Student Affairs Committee - No report.

Vice Chairperson's Remarks

Vice Chair Chris Harrison had no remarks.

Student Government Association President's Remarks

SGA President Ryan Koehl had no remarks.

Administrators' Remarks

President David Strand reported that the budget as recommended by the Board of Higher Education went to the general assembly. The budget includes a recommendation for a 5.6% funding increase for ISU. Money for equipment for the new science building will be a priority for the FY97 budget; it is hoped that the building can be completed on schedule for use in August of 1997. The governor has increased the amount of money for capitol renewal which can be used in part to address deferred maintenance. The governor has recommended, as part of the budget package, that education receive 73 cents of each new dollar. In response to a question concerning faculty raises, President Strand said the governor recommended a 3 percent raise for faculty. The governor also recommended \$36 million for the State University Retirement System (SURS) to address its underfunding; this detracted from his ability to respond to the salary situation at public universities.

Vice President and Provost John Urice had no remarks.

Vice President for Student Affairs Bill Gurowitz announced that Chika Nnamani has been hired in the position of Director of Residential Life.

Vice President for Business and Finance Chuck Taylor had no remarks.

SPECIAL TOPIC: Academic Impact Fund Review Committee Report

Senator Dave Weber (Chair, Academic Impact Fund Review Committee) gave a brief summary of the Committee's report, reviewing potential negative and positive impacts of the Academic Impact Fund (AIF) proposal, potential abuses, and the Committee's recommendations. (A copy of the report is attached.)

Senator Weber and other members of the Committee (Senator Kaiser, Senator Brooks, Sharon Stanford, and Wayne Lockwood) answered questions from the Senate regarding the report.

Concerns and issues discussed included:

- The response of the college deans to the AIF proposal: Senator Weber said the Committee members met individually with their deans regarding the proposal; some of the deans are positive towards the proposal and some are negative. The trading of personnel dollars for equipment dollars: Senator Taylor said it is legally impossible to take personnel dollars and put them into another line.

- The "holding" or "freezing" of a position: Wayne Lockwood said a position could be filled with a temporary faculty member at lower pay and not necessarily be frozen for one year; the provost and the college deans would decide. Senator Kaiser said that, under the AIF, the standard procedure would be to freeze a position for one year; it is the understanding of the committee that a search could take place within that one-year period. Senator Walker said if a position is frozen by the provost for one year, there can be no advertising for the position during that year. Senator Brooks said that, according to the revised AIF report the committee received from the Provost, there could in some cases be a one-year hold on a position, in some cases a two-year freeze, sometimes no hold or freeze, and in some cases the position would be lost; the issue is not to protect positions within departments, but to make it easier to follow the flow of student demand.

-Senator Razaki asked if the committee had the impression that the Administration believes there should be an overall reduction in the number of faculty. Senator Weber said the committee was led to believe there has been an adjustment in faculty according to enrollment.

-Provost Urice said the original goal of the AIF was to help departments that have the burden of payouts. The AIF does not propose all replacement faculty be paid \$2500; no fixed amount is being proposed. He agreed to report to the Senate annually on the AIF if it is implemented.

Action Items:

1. Proposal to amend the ISU Constitution and Committee Structure
 - to give the position of Vice President for Institutional Advancement and Executive Director of ISU Foundation membership on the Academic Senate

Senator McCaw (Chair, Rules Committee) withdrew the action item from the agenda: thirty-four votes are needed to pass the amendment; only 26 senators were present.

Information Items:

1. Minor in International Studies

Senator Walker (Chair, Academic Affairs Committee) presented the minor in International Studies. He introduced William Semlak, Director of International Studies, who answered questions about the minor. Discussion on the minor and questions to Dr. Semlak followed.

Motion XXVII-58 by Senator Walker (second, Razaki) to move this information item to action item status carried on a voice vote.

Motion XXVII-59 by Senator Walker (second, Borg) to approve the minor in International Studies carried on a voice vote.

2. Academic Progress Alert System

Senator Walker presented the proposal on the Academic Progress Alert System. Alan Dillingham (Associate Vice President for Instruction and Dean of Undergraduate Studies) was present to answer questions regarding the proposal.

There was a brief discussion on the proposal. Instructors have the option of not submitting a grade. It is not expected that the system will require additional support staff in advising. The major cost of the system will be in the developing of it; there is no dollar figure for the cost of the system itself.

Communications

Senator Borg said the Executive Committee subcommittee, created to review the financial situation of the Academic Senate, will report to the Senate before the new Senate is seated.

Motion XXVII-60 by Senator Neuleib (second, Weber) to adjourn carried on a voice vote. The meeting adjourned at 8:30 p.m.

[illegible]

2.23.96.1

MEMORANDUM

TO: Len Schmaltz, Chair
Illinois State University Academic Senate

FROM: David Weber, Chair
Academic Impact Fund Review Committee

RE: Academic Impact Fund Review Committee Report

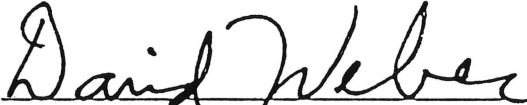

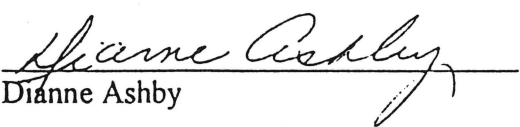
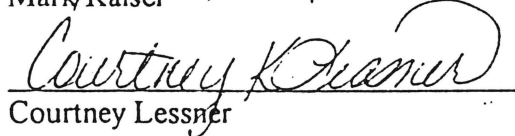
DATE: February 19, 1996

Attached is a copy the Academic Impact Fund Review Committee Report. The committee met 16 times, starting last October 11, 1995. Individuals and subcommittees spent additional time outside meetings gathering materials, interviewing resource persons, and preparing statements for the committee. Formal minutes of meetings were not kept. However, components of the attached document emerged early in our deliberations and the development of the document served as the focus for all subsequent meetings.

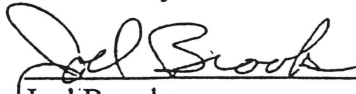
While there are ideas each of us might express differently, or provide with a slightly different emphasis, the members of the Academic Impact Fund Review Committee support the Committee Report as written. The signatures below are witness to that agreement.

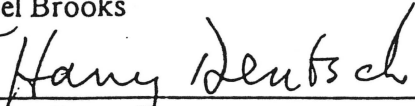
With the submission of this document, the Academic Impact Fund Review Committee feels that it has completed the task with which it was charged. We stand ready to meet with you, or your representatives, to answer questions related to the document, or to explain our findings.

Academic Impact Fund Review Committee:

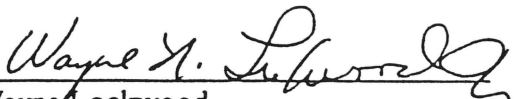
 David Weber, Chair	 Mark Kaiser
 Dianne Ashby	 Courtney Lessner


Harold Boyd

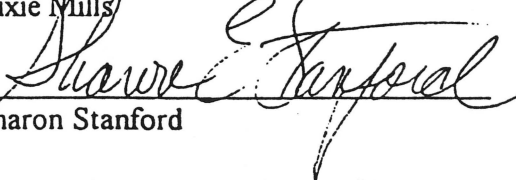

Joel Brooks


Harry Deutsch


Cheryl Elzy


Wayne Lockwood


Dixie Mills


Sharon Stanford

CC: Provost Urice

Academic Impact Fund Review Committee Report

Prepared by:

**David Weber, Chair
Dianne Ashby
Harold Boyd
Joel Brooks
Harry Deutsch
Cheryl Elzy
Mark Kaiser
Courtney Lessner
Wayne Lockwood
Dixie Mills
Sharon Stanford**

Submitted to:

**Len Schmaltz, Chair
Illinois State University Academic Senate**

February 19, 1996

Illinois State University
Normal, Illinois

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Introduction

During the 1994-95 academic year, Provost Urice proposed the implementation of the "Academic Impact Fund" (AIF). For a variety of reasons, the proposal met with resistance from faculty who, at a general faculty meeting in the spring of 1995, voted to recommend that the AIF implementation be delayed until the implications and impact of the changed policies could be examined. During the Fall semester, 1995, the Academic Senate created the Academic Impact Fund Review Committee with appointments by the Academic Senate and the Provost.

Charge to the Committee

The charge to the committee was outlined in a letter (September 29, 1995) from Leonard Schmaltz, Chair of the Academic Senate, to committee members:

To assess the implications of the proposed Academic Impact Fund and to provide guidance on criteria that would be used for implementation and exceptions to the proposed fund, as well as guidance on the distribution of funds.

Background on the Academic Impact Fund

The Provost's Description of the Academic Impact Fund

The Provost described the proposed AIF in the following way (Urice, March 22, 1995):

The "Academic Impact Fund" is but one part of a comprehensive plan to address interrelated concerns regarding:

- academic budgeting and planning;
- allocating resources to best meet student and institutional needs;
- finding funds to meet pressing academic needs for one-time projects that cannot now be funded;
- positioning Illinois State to make a more powerful case externally for increased resources in the future.

In his presentation to the committee, Provost Urice states (Urice, October 25, 1995):

The "Academic Impact Fund" (AIF) is a general rubric for a series of refinements in current university practice dealing with the allocation and possible reallocation of regular faculty positions only.

Essentially, Provost Urice envisions a fund of approximately \$500,000 annually (less than 1/2 of 1% of the total University budget). The fund is to be created from variance dollars generated when tenure-line faculty, *and only tenure-line faculty*, resign or retire¹. Tenure-lines are not the only source of variance money within the University, but are to be the sole source of funding for the AIF. To achieve the target amount, all such tenure-line positions would automatically revert to the Provost's office where, in consultation with the college deans, decisions would be made on which positions are to be filled with regular or temporary faculty, reallocated to other departments and colleges, or remain vacant.

Monies from the fund would be used to meet pressing academic needs, such as sick-leave payouts, summer school, faculty diversity, and equipment shortages. Sick-leave payouts would be for tenure-line faculty only. Similar payouts for AP and civil service would be handled through separate

¹ Variance dollars are created when faculty are replaced by tenure track or temporary faculty paid at a lower rate, part-time faculty, or positions are left vacant.

funds. According to the Provost, the AIF does not represent a departure from current practices. Provost Urice believes that the AIF and related plan(s) provide a systematic, accountable mechanism to address these needs at the University level and to relieve departments and colleges of this responsibility. The process would be open and involve shared decision-making.

Faculty Concerns Regarding the Academic Impact Fund

After plans for the AIF were made available to the Academic Senate, the Faculty Affairs Committee (FAC) issued a position paper opposing its implementation (January 31, 1995). The FAC objected to the "centralized management approach" of the AIF proposal and noted that "Faculty and staff hiring issues have a long history of being the prerogative of the colleges and departments." In addition, the FAC noted that "It is nearly impossible to hire qualified replacement instructors for \$2500 per course (as originally proposed by the Provost)." Further, the FAC statement strenuously objected to the "lack of shared governance involvement" in the development and implementation of the AIF. The FAC recommended the formation of a committee to assess the implications of the AIF proposal, to "develop guidelines for exceptions to the general policy to hold open faculty positions," to explore "sources of financing to support an Academic Impact Fund," and to "develop guidelines for distributing funds collected in an Academic Impact Fund." The FAC positions were subsequently supported by a vote of the Academic Senate (March 22, 1995). In a memorandum dated March 29, 1995, then President Wallace, noting that the Senate vote was close (16 yes, 14 no, 4 abstain), rejected the Senate's position statement and recommendations regarding the AIF. He indicated that he was "... not supportive of the specific mechanism for Senate involvement as stated in the resolution calling for a committee to 'develop guidelines' and 'to explore various sources of financing' for the Academic Impact Fund." Shortly thereafter (May 3, 1995), the Senate passed a sense of the senate resolution condemning President Wallace's action in this regard (26 yes, 4 no, 7 abstain). At a General Faculty Meeting on May 11, 1995, faculty voted to recommend a one year delay in implementing the AIF and to charge the Senate with forming an Academic Impact Fund Review Committee (129 yes, 6 no, 3 abstain). In response, Provost Urice announced in a memorandum dated May 12, 1995, that he had advised President Wallace that he was postponing the creation of the Academic Impact Fund until January 1, 1996 and sought "additional guidance to improve the faculty position reallocation system."

Committee Procedures

The initial meeting of the Academic Impact Fund Review Committee was October 11, 1995. Academic Senate Chair Schmaltz attended this meeting to discuss the charge to the committee. The committee then held separate meetings with the representatives of the 1994-95 Faculty Affairs Committee and with Provost Urice. In its deliberations, the committee dealt with a number of written sources of information (see References section). Committee members also met individually with deans and department chairs to gain insight into the impact of and support for the fund. Additional data, requested by the committee, were provided by the Provost's Office.

Committee Findings

Support for the Academic Impact Fund

The Academic Impact Fund Review Committee was charged with assessing the implications of the AIF, providing guidance on its implementation, and recommending criteria for the distribution of funds. The committee also had the option of not recommending the creation of the AIF. After careful review and much deliberation, the committee concluded that the AIF is needed to address two important University concerns. The first concern is to allow development of a strategic approach for effectively allocating or reallocating resources among colleges and programs, particularly those associated with

faculty positions. The second, and the committee believes to be the primary purpose of the AIF, is to broaden the base available to fund payouts to tenured and tenure track faculty who leave the University. The goal is to prevent individual departments or colleges from being severely or disproportionately impacted by payouts in a given fiscal year. In supporting the creation of the AIF, the committee firmly believes that the size of the fund should be carefully managed in two ways: (1) distributions from the fund should be narrowly focused, and (2) allocations to it should be sufficiently restricted to balance the colleges' need for financial stability and flexibility with broader University priorities.

Reallocation of Regular Faculty Positions

The reallocation of regular faculty positions could, and most likely would, result from the implementation of the AIF. Under the AIF, variance dollars from positions that are "frozen", or filled by lower paid faculty will be centralized. The fact that positions could be filled or "frozen" in one college and not others provides a mechanism for reallocation.

The resultant centralization of decision-making and the lack of faculty input into the initial development of the AIF proposal were major concerns of the Academic Senate and faculty last spring. The committee believes that a description of how the AIF relates to other academic budget mechanisms is needed. The merging of various planning documents (i.e., the Academic Plan) and funding mechanisms is needed to address how University priorities and reallocations are decided. Since many of these documents are developed through shared governance processes, much of the faculty concern related to the reallocation of regular faculty positions through the AIF would be alleviated. The merger of these documents and mechanisms into a single coherent plan for regular faculty resource allocation and reallocation would provide an additional avenue of accountability for the AIF.

Recommendations for the Distribution of the Academic Impact Fund Monies

The committee recommends that the Academic Impact Fund monies be used for four purposes, listed in priority order: (1) Payouts associated with tenure/tenure track faculty leaving the University, (2) Maintenance of instructional capacity, (3) Summer School support, and (4) Enhancement of instructional capacity.

1. **Payouts** are an unavoidable expense incurred each time a tenure/tenure track faculty member leaves the university. The current practice is for departments to bear these costs. During periods of high rates of retirement or resignation, a department may be unable to fill vacant positions because funds designated for faculty salaries must be used to make these payouts. The AIF would make payouts on behalf of departments so that they would be able to fill positions authorized by the Provost, in consultation with the college deans.
2. **Maintenance of instructional capacity** refers to the need to maintain at least the current quality and quantity of academic instruction available to students. The extent to which a need exists to fill a vacant position in order to maintain instructional capacity should be judged by a combination of the following criteria:
 - Faculty expertise and teaching services needed for curricular integrity
 - Credit hour generation (as appropriate for the department, position, college, graduate or undergraduate level, and nature of the discipline)
 - Program quality (as defined by appropriate internal and external review criteria)
 - Number of majors, minors, masters and doctoral students, and students of other programs served
3. **Summer school support** refers to the need to stabilize summer school offerings so that students and faculty may be served by a predictable and reliable summer schedule.

4. **Enhancement of instructional capacity** refers to the need for a means of expanding course offerings where appropriate, supporting innovations in instruction, and acknowledging the colleges' need for a minimum amount of fiscal flexibility. The AIF may be used to enhance instructional capacity by:

- Funding course and faculty development activities (e.g., participation in a discipline-related pedagogy workshop, job-related travel, development of new teaching materials)
- Purchase of equipment for faculty needs (e.g., computers)²
- Returning money to the colleges with the amounts determined in consultation with the College Deans

Committee Concerns and Cautions

The committee is very concerned about three potential abuses of the AIF as originally described by the Provost: (1) temporary faculty, (2) non-personnel use of personnel dollars, and (3) excessive growth of the AIF.

1. The committee believes that when **part-time** or **temporary faculty** are used, they must be paid salaries commensurate with the responsibilities and required expertise associated with each position. The committee wants to make clear its firm opposition to the proposed payment of \$2,500/class for temporary faculty (see page 4). The wide-spread use of part-time or temporary faculty to fill positions which should be filled by full-time tenure track faculty is also a committee concern. The balance of non-tenure track faculty to tenure-track faculty must be carefully evaluated to maintain program quality.
2. Given the wide-range of uses proposed for the AIF, the committee is concerned that it not become another "unrestricted" source of funding for **non-personnel uses of personnel monies**. The committee was provided with data that indicate that over the past few years, on a University-wide basis, very few salary dollars were converted to non-personnel uses, such as equipment, travel, or classroom and laboratory rehabilitation. The committee feels that it is appropriate for this practice to continue at a modest level under the proposed AIF.
3. The committee is aware of the potential for excessive growth in the AIF. Clearly, the primary intent for the AIF is to provide a rational means for distributing the impact of State mandated payouts across a much broader salary base than available to a given college. The committee does not see the need for the AIF to grow much beyond the point needed to cover payouts. However, given the unpredictable nature of these payouts from year to year, some excess funds will naturally result. When this occurs, the other priorities should then be addressed. However, all priorities recommended by the committee, with the exception of payouts, are addressed through other budget mechanisms. Any money available from the AIF for instructional activities, such as summer school support, would be very small when compared to the annual budget for these activities. Therefore, these activities can benefit from, but should not rely upon excess AIF money as a major source of regular funding.

² Under Illinois law, personnel funds must be spent on personnel. It has been a long-standing practice to temporarily trade personnel variance dollars to departments needing personnel, in return for excess equipment funds, travel funds, contractual funds, etc.

Implications of the Academic Impact Fund

Because faculty resign and retire at unpredictable times during the year, it is difficult to accurately estimate the amount of money that will accumulate and be distributed through the AIF. Consequently, implications of the AIF are very difficult to predict. At this time, the committee anticipates the following impact:

- The AIF will have a negative impact on colleges' independent fiscal flexibility. Future implications are that, should a fund balance exist, permanent dollars would be available to be returned to the colleges.
- The AIF will have an impact on the filling of vacant faculty positions. The number of positions in each college has fluctuated over the years as the number of students in each college has varied. The AIF will not change the provost's authority to approve filling vacant positions. While there may be no need to change current policies and procedures documents, the AIF represents a substantial departure from current practices. Currently deans negotiate with chairs regarding the allocation, reallocation, and/or replacement of tenure-line positions. The deans then present their plans to the provost for final approval. Any variance dollars created have stayed in the college where they have been used for payouts and other academic needs. Under the AIF, the filling of positions will no longer be a matter between a dean and the provost, but must also be discussed with deans from other colleges prior to a final decision by the provost.
- The AIF will have a positive impact by reducing the risks departments incur as a result of payouts which must be made when tenure/tenure track faculty members leave the University. The AIF will bear responsibility for payouts, rather than departments.
- The AIF may have a small positive impact on summer school. The AIF may enable deans and the provost to improve the stability and predictability of summer school offerings.
- The AIF will have a positive impact on accountability. Decisions related to the generation and expenditure of the AIF will be public, based on strategic University planning procedures and priorities, and open to review.

Recommended Trial Period

Given the unpredictable nature of the primary problem addressed by the AIF, payouts, and the considerable concern among faculty and administrators, the committee recommends that it be implemented for a three-year trial period. The Provost's offer to report annually to the Academic Senate on the AIF should be accepted. After three years, another joint faculty and administrative committee should (a) review the progress and results of the trial period, and (b) report its assessment and recommendations for possible changes to the President, the Provost, and the Academic Senate.

References³

- Illinois State University Academic Senate, Position Statement Regarding the Academic Impact Fund Proposal. January 31, 1995.
- Urice, J. K. "Academic Impact Fund" and Associated Activities. Remarks to the Illinois State University Academic Senate, February 8, 1995.
- Urice, J. K. Progress on the Proposed "Academic Impact Fund" and Associated Activities. Remarks to the Illinois State University Academic Senate, March 22, 1995.
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- Urice, J. K. Memorandum to Illinois State University Faculty, May 12, 1995.
- Wallace, T. P. Memorandum to the Academic Senate Executive Committee Re: Academic Senate Resolution of the Academic Impact Fund, March 29, 1995.

³ References are available in the Academic Senate Office.